IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of	)	
	)	Group Art Unit 3625
Ronald Lourie	)	
	)	
Serial 09/884,868	)	Examinar: James F. Zurita
Filed: June 19, 2001	)	
For: Internet Cash Card	)	

APPEAL BRIEF

This is an appeal from the final rejection of the Examiner dated February 2, 2005, rejecting claims 1-5, all of the claims pending in the case. The requisite fee set forth in Rule 1.17 accompanies this Brief.

Real Party in Interest

Ronald Lourie is the assignee of patent application number 09/884,868.

Related Appeals and Interferences

There are no other appeals or interferences known to Appellant, the Appellant's legal representative, or assignee that will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

Status of Claims

The application was filed June 19, 2001. Claims 1-5 in this application are pending and finally rejected. Appellant is appealing the rejections of all pending claims.

Status of Amendments

An amendment is filed in conjunction with this Brief to correct informalities in the drawings and specification.

Summary of Claimed Subject Matter

The present invention relates to a method of performing an anonymous transaction. In particular, claim 1 provides a card of predetermined value with an indicia of identification associated with the card and an electronic means of transmitting information. The card is issued anonymously to a consumer in exchange for a predetermined denominational value that is associated with the card. The card is then presented to a merchant in a transaction for goods or services in an amount equal to or less than the value of the card. The card is verified through transmission of the indicia of identification and the amount of payment. An approval code is issued, wherein upon the transaction is completed. Funds are transferred to the merchant in the amount of the transaction.

Additional features of the claimed invention include transaction over a web site, the use of a card issuing authority and an acquiring bank, transferring payment from the acquiring bank to the merchant, and deducting the amount of the transaction from the predetermined value of the card.

In this manner, the claimed invention allows for an entirely secure and anonymous transaction between a merchant and a consumer. The invention substantially eliminates the risk associated with prior art credit card based transactions including, fraud, identity theft, and nuisance calls or communications associated with the disclosure of personal information between merchants gained in such transactions. Also, the method limits the risk of theft by allowing the consumer limit the value of the card.

Grounds of Rejection to be reviewed on Appeal

Claims 1-5 have been rejected on the following grounds:

- As unpatentable subject matter under 35 U.S.C. §101, due to the fact that the claims are directed to subject matter that can be performed without the use of technology. Thus, the claims fail to define an invention that is within the "technological arts".
- As unpatentable under 35 U.S.C. § 103(a) in view of United States Patent Nos. 6,473,500 (Risafi et al.); 5,452,601 (Rosen), and an article by Natalie Southworth, Protecting Online Purchases, with an effective date of November 26, 2000.

Grouping of Claims

As to the rejections applied against claims 1-5 the rejected claims stand or fall together.

Argument

1. Rejection of Claims 1-5 based on 35 U.S.C. 101, Technological Arts Rejection

The Examiner has rejected claims 1-5 under the so-called technological arts rejection. Without reaching the merits of the argument, it is noted that substantial new legal developments require the withdrawal of this rejection.

The Board of Patent Appeals and Interference has recently issued its opinion in the matter of Ex Parte Lundgren, Appeal No. 2003-2008 (Paper No.78), in which the Board considered the propriety of the technological arts rejection under 35 U.S.C. § 101. In summary, the Board has ruled as a matter of law "that there is currently no judicially recognized separate 'technological arts' test to determine patent eligible subject matter under § 101". Id. at 9.

As the present invention is rejected only under §101 under the technological arts prong of the two-part test for statutory subject matter, this rejection must be withdrawn in view of the ruling in Ex Parte Lundgren. The Examiner has raised no concerns as to whether the invention produces a useful, concrete, and tangible result.

Based on the foregoing, the Board should reverse the Examiner's refusal to register claims 1-5 under 35 U.S.C. § 101.

2. Rejection of Claims 1-5 based on 35 U.S.C. §103(a)

Applicant respectfully traverses the rejection of the claims under §103 on the grounds that the cited references do not disclose all of the features of the claimed invention.

As stated above, the 103 rejection is based in part on the Southworth article, which discusses issues related to on-line security. In particular, the article enumerates in a very general sense evolving concepts in alternatives to traditional credit cards in an on-line purchasing environment. The concern addressed is the reduction of consumer fraud. Among the alternatives discussed is one offered under the name "Anonymouscard.com". The only information stated about this alternative is that is a prepaid card, available in denominations of $5, $10, and $30. The article also quotes the owner of the enterprise offering the card as stating that the consumer can control the online purchase process, and he states that in reference to the online purchase that the consumer remains anonymous. There are no details on how the card is purchased, how the card is used, or how anonymity is preserved.

The Southworth article discusses a second alternative provided by the Internet Cash Corp. This product is described as similar to a phone card, and in the same vein as the

Anonymouscard.com card. The card is provided in various denominations, after a consumer provides a personally chosen identification number.

The various schemes discussed in the Southworth article do not, however, disclose the claimed invention. In particular, the claimed invention requires providing a card that carries an indicia of identification. Then the card is issued to a consumer anonymously. This means the consumer acquires the card when it already has an indicia of identification associated therewith, the consumer does not choose the indicia. This would not be an anonymous transaction. Providing a consumer chosen identification number as suggested in the Southworth article is not an example of an anonymous transaction. The chosen number is personal to the consumer and as such cannot be considered anonymous. The claimed invention issues a card to the consumer that already has an indicia of identification, the consumer gives no information of any kind during the transaction.

With specific regard to the Anonymouscard.com example, there is no information in the Southworth article of any kind on how the cards are issued. The only information of any kind about this product is the mere claim of the developer of the product as to the anonymity of the on-line purchase, without any specific information on how this achieved. This is a very different proposition from issuing the card anonymously as required by the claims of the present invention. In this regard, this is what the Applicant refers to as the distinction between front-end and back-end anonymity associated with the prior art. The front-end of the process is the issuance of the card; the back-end of the process is the use of the card. Personal information is normally disclosed at both steps in the process. On the front-end, when a card is issued the consumer fills out an application where they reveal a great deal of personal information. After the card is issued, a personal identification number is used that is associated with the consumer's

personal information and financial assets. Thus, there is vulnerability at both ends of the transaction. Personal information is at risk at the front-end if the information in the application is compromised, and financial assets as well as personal information are at risk at the back-end. The Examiner states that this distinction is not disclosed in the application, however, this is clearly not correct. While the application may not use the terms front-end and back-end, the concept is plainly disclosed. The application states

> An individual would purchase a card in the desired denomination, preferably in cash. The transaction would involve only the exchange of the card and the payment, with no communication of personal information. In other words, the transaction is completely anonymous.

(Page 9, lines 19-22).

The application also states

> Due to the anonymous nature of the card, the consumer can use the card for any goods and services without concern about compromising anonymity to anyone.

(Page 13, lines 7-9).

Furthermore, this concept is fully embodied in claim 1, which states that the card is issued to the consumer anonymously. Thus, at the front-end of the process there is no exchange of personal information, which of course makes it impossible to compromise or disclose any personal information at the back-end of the process - i.e. when the card is used to purchase goods or services. This concept, and its distinction from Southworth, are plainly evident in the initial steps of the claimed method. The card is issued without the exchange of any information, i.e. anonymously. Southworth fails to disclose that the front-end of the transaction is anonymous as required by the claimed invention. In fact, Southworth teaches away from this idea by disclosing the use of a personal identification number.

The Examiner fails to appreciate the significance of this aspect of the claimed invention, which is demonstrated by the statement that the word anonymous in claim 1 carries very little patentable weight. The Examiner, however, provides no support for this conclusory statement and the application and the prior art clearly shows the opposite is true. The Background of the Invention states with great detail the problems associated with the use of credit cards and the extent of credit card fraud and identity theft. In fact, the application states that the prior art has no effective means of eliminating or reducing the risk. The scope of the problem is self-evident in today's society. The solution proposed and claimed by the Applicant is to eliminate the problem by eliminating the transfer of personal information both when the card is acquired and when the card is used. If no personal information is involved then there is no risk of a loss of personal information. This is accomplished by virtue of an anonymous transaction.

Furthermore, it is also demonstrated in the application and the prior art that the exchange of personal information is very important to prior art systems. Credit card companies thrive on acquiring, selling, and collecting personal information. It is so fundamental to their collective operations that none of their security solutions involve forgoing the collection of such information. Instead the focus of the prior art to find better methods of protecting personal information, rather than elimination of collection and transfer of personal information as is the case with the present invention. It is hard to understand how the concept anonymity as a means of guarding against disclosure of personal information can be afforded such little patentable weight by the Examiner.

Accordingly, based on the foregoing it is stated that the prior art cited by the Examiner does not teach the claimed invention and the Board should reverse the Examiner's refusal to register claims 1-5 under 35 U.S.C. § 103.

Respectfully submitted,

Date: 12-1-05

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ATTORNEYS FOR APPLICANT

Claims Appendix

1. An anonymous method of transaction, said method comprising:

providing a card of predetermined denominational value having an indicia of identification associated with said card and said value;

providing an electronic means for transmitting information;

issuing said card to a consumer anonymously in exchange for payment by said consumer of said predetermined denominational value associated with said card;

presenting said card to a merchant as transactional payment to said merchant for a transaction of goods or services, wherein said transactional payment by said consumer to said merchant is less than or equal to said predetermined denominational value associated with said card;

verifying said card by transmitting with said electronic means said indicia of identification and the amount of said transactional payment by said consumer to said merchant, to a card issuing authority;

issuing with said electronic means an approval code from said card issuing authority to said merchant;

completing said transaction with said merchant by providing said goods or services to said consumer; and

transferring funds from said card issuing authority to said merchant in the amount of said transactional payment from said consumer to said merchant.

2. The invention in accordance with claim 1 wherein said merchant has a Web site and said transaction takes place through said merchant's web site.

3. The invention in accordance with claim 1 wherein said step of verifying said card by transmitting with said electronic means said indicia of identification to a card issuing authority and said step of issuing with said electronic means an approval code from said card issuing authority to said merchant, further comprises first transmitting said indicia of identification and the amount of said transactional payment from said consumer to said merchant, said merchant's acquiring bank and then to said card issuing authority, and then issuing an approval code from said card issuing authority to said merchant's acquiring bank and then to said merchant.

4. The invention in accordance with claim 3 wherein said step of transferring funds from said card issuing authority to said merchant in the amount of said transactional payment from said consumer to said merchant, further comprises first transferring said transactional payment from said consumer to said merchant's acquiring bank and then to said merchant.

5. The invention in accordance with claim 1 further comprising the step of deducting the amount of said payment from said consumer to said merchant, from said predetermined denominational value of said card upon issuing said approval code.

Evidence Appendix

There is no evidence submitted herewith.

Related Proceedings Appendix

There are no related proceedings.